

Government of the District of Columbia
Office of the Chief Financial Officer




Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer

DATE: May 13, 2013 

SUBJECT: Addendum to Fiscal Impact Statement – “South Capitol Street Memorial Amendment Act of 2012”

REFERENCE: Bill Number 19-211 – Amendment in the Nature of a Substitute (ANS), shared with the Office of Revenue Analysis on March 5, 2012

Addendum to the fiscal impact statement issued on March 5, 2012

This addendum certifies that most of the costs outlined in the March 5, 2012 fiscal impact statement for Bill 19-211 have either been funded or absorbed within existing resources. The remaining unfunded cost is for the Public Charter School Board to become compliant with the School-based Student Support Team requirements. The OCFO projects that to bring the public charter schools in compliance with the student support team requirements the District must allocate \$450,000 in FY 2013, and \$1.8 M annually starting in FY 2014.

Thus, funds are not sufficient in the FY 2013 approved and FY 2014 through FY 2017 proposed budget and financial plan to implement the bill. Implementation would cost an estimated \$450,000 in FY 2013 and \$7,200,000 in the FY 2014 through FY 2017 proposed budget and financial plan.

Estimated Fiscal Impact of Bill 19-211, South Capitol Street Memorial Amendment Act of 2012 – FY 2013 - FY 2017						
Task	FY 2013 (a)	FY 2014	FY 2015	FY 2016	FY 2017	Total
Bring Charter Schools into compliance with current School-based Student Support Team requirements	\$450,000	\$1,800,000	\$1,800,000	\$1,800,000	\$1,800,000	\$7,650,000

(a) Assumes implementation beginning in Q4 FY 2013.


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MEMORANDUM

TO: The Honorable Kwame R. Brown
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi
Chief Financial Officer 

DATE: March 5, 2012

SUBJECT: Fiscal Impact Statement – “South Capitol Street Memorial Amendment Act of 2012”

REFERENCE: Bill Number 19-211 – Amendment in the Nature of a Substitute (ANS), shared with the Office of Revenue Analysis on March 5, 2012

Conclusion

Funds are not sufficient in the FY 2012 through FY 2015 budget and financial plan to implement the provisions of the bill. Implementation of this bill would cost approximately \$310,000 in FY 2012 and \$22.8 million over the FY 2012 through FY 2015 financial plan period.

The implementation of the bill is subject to inclusion of its fiscal effect in an approved budget and financial plan.

Background

The bill, originally titled the “South Capitol Street Tragedy Memorial Act of 2011,” was drafted in response to a tragic shooting spree that killed four District youth on March 30, 2010. The bill’s goal is to improve and expand the District’s behavioral health intervention programs so as to better identify and treat at-risk youth. The bill has evolved since its first introduction in March of 2011, and its title has been shortened to the “South Capitol Street Memorial Amendment Act of 2012.” The ANS, on which this fiscal impact statement is based, includes five titles.

Title I requires the Mayor to issue by March 30, 2013, and every five years thereafter, a Youth Behavioral Epidemiological Report. The report should address the prevalence of behavioral health issues in the District, and the level of utilization and barriers to utilization of the District’s behavioral health services.

The Honorable Kwame R. Brown

Addendum to FIS: B19-211 "South Capitol Street Memorial Amendment Act of 2012," Amendment in the Nature of a Substitute shared with Office of Revenue Analysis on March 5, 2012

Title II addresses early childhood and school-based infrastructure, requiring the Mayor to develop a plan to expand the school-based mental health program to all students in District public schools and public charter schools by the 2016-2017 school year.

Title III enhances the District's truancy intervention programs and calls for the creation of a truancy prevention resource guide for families to help ensure that school-age youth remain in school. Current law requires school-based student support teams meet to discuss and examine a student's truancy when they accrue more than 5 days of unexcused absences from school, with the goal of reducing unexcused absences. This bill would require the support team to identify the underlying cause of the truancy, and to maintain complete, accurate and contemporaneous records of the efforts made in each truancy case referred to a support team for reporting purposes. The bill also requires the Mayor to develop enforcement mechanisms through the rule making process.

Under Title IV, the Department of Mental Health (DMH) is directed to create a behavioral health training program for the District's teachers and educators; publish behavioral health resource guides for parents and youth; and develop the Behavioral Health Care Ombudsman Program, which will raise awareness of these issues among District residents, help youth and families navigate District services, participate in ongoing policy-making in behavioral health, and establish an Advisory Council to assist with and review its work.

Finally, Title V addresses the District's child welfare and juvenile justice program infrastructure. This title requires the Mayor to create a comprehensive resource guide to help families navigate the District's child welfare and juvenile justice program systems. It also requires the Department of Youth Rehabilitative Services (DYRS) and the Child and Family Services Agency (CFSA) to screen and assess youth for behavioral health issues at specific milestones while they are under these agencies' care.

Financial Plan Impact

Funds are not sufficient in the FY 2012 through FY 2015 budget and financial plan to implement the proposed bill.

The implementation of the bill is subject to inclusion of its fiscal effect in an approved budget and financial plan.

Office of Revenue Analysis projects the bill will cost approximately 310,000 in FY 2012 and \$22.8 million over the FY 2012 through FY 2015 financial plan period. The bill includes many implementation tasks for various District agencies, which we discuss below and summarize in the table.

Title I – Youth Behavioral Epidemiological Report

The bill requires the Mayor to submit a Youth Behavioral Epidemiological Report to Council by March 30, 2013 and every 5 years thereafter. The estimated cost of this provision is \$125,000, based on the assumption that DMH will take the lead and coordinate with all of the District's education entities. The report would be based on reevaluation of existing data from multiple sources. DMH expects to hire an epidemiologist to conduct the study.

Title II – Comprehensive Plan for School-Based Behavioral Health Programs

The bill requires the Mayor to submit to Council by March 30, 2013, a Comprehensive Plan for the expansion of early childhood and school-based behavioral health programs and services by the 2016-2017 school year. The cost estimate is based on the assumption that the Office of the State Superintendent of Education (OSSE) will lead the development of the plan, with support from all of the District's education and health entities. The cost is for one Grade 14 staff person to coordinate the plan in FY 2012-2013 and assist with implementation in the years beyond.

Note that unlike some earlier drafts, the ANS requires creation of a plan to provide school-based behavioral programs but does not require that such programs subsequently be offered. Thus the estimate discussed in the fiscal impact statement does not include the cost of providing such school-based programs.¹

Title III – Truancy Related Provisions

While the requirements of this provision are not drastically different from current law, effective implementation of the requirements of the bill will be costly. D.C. Public Schools (DCPS) reports that it does not have sufficient resources to staff the *current requirements* for school-based student support teams so it would not be able to fulfill the new requirements with only incremental new funding.

DCPS reports that 76 of its schools currently have the capacity to fulfill current requirements, 32 schools each need an additional counselor (1 FTE) and 16 schools each need half a counselor position (0.5 FTE). At an annual cost of \$3.715 million for these 40 new FTEs beginning in FY 2013, DCPS could both become compliant with existing requirements and fulfill the new requirements of this bill. This \$3.715 million cost is what it would take for DCPS to have ample resources to comply with current requirements. *While this is not a cost attributed to this bill, the truancy requirements of this bill cannot be implemented until DCPS has the resources to become compliant with current requirements.*

In order to meet the record keeping and reporting requirements of this bill, DCPS will have a one-time cost of \$1 million for a new, consolidated data system. To set up the new system, DCPS will have to consider system needs, and contract with a vendor to design and install the system, train staff and provide one year of technical support to make adjustments and to ensure proper functioning.

Similarly, the Public Charter Schools lack the capacity to effectively implement the current law. The Charter Schools will require one new FTE at each of the 53 charter schools to coordinate the support teams and implement the additional requirement of identifying the underlying cause of the truancy and fulfilling the recording and reporting requirements of this bill. Each FTE would cost \$40,000 annually in salary and benefits for a total of \$2.35 million beginning in FY 2013. This \$2.35 million cost is what it would take for the Public Charter Schools to have ample resources to comply with current requirements. *It is not a cost attributed to this bill, but the truancy requirements of this bill cannot be implemented until Public Charter Schools have the resources to become compliant with current requirements.*

¹ It is important to note that, though no longer required, the cost of expanding early childhood and school-based behavioral health services to all students in the District's public and public charter schools by the 2016-2017 school year could be substantial. It is not possible to provide a useful estimate at this point, since a lot of the costs would depend on the Comprehensive Plan required in Title II of the bill.

Finally, the bill requires the creation of a Truancy Prevention Resource Guide for parents and legal guardians detailing the resources available to assist parents and guardians of kids with truancy issues. OSSE already has this information and can compile and distribute the Guide through the schools and the internet at no additional cost.

Title IV – Youth Behavioral Health Training and the Behavioral Health Ombudsman Program

The bill requires DMH to create a youth behavioral health training program for teachers and school administrators, publish behavioral health resource guides for both youth and parental audiences, and develop the Behavioral Health Ombudsman Program. The training program would build on existing learning management system resources, but would require two new full-time mental health clinicians as trainers and one full-time administrative assistant beginning with implementation in FY 2013. The Guides outlined in Title III are estimated to cost \$50,000 each to draft and produce, with no ongoing costs after the first year because annual updates would be minimal. The costs of the Ombudsman Program should be comparable to those of the D.C. Long Term Care Ombudsman's Office, which has a staff of 6.5 FTEs and an annual budget of approximately \$420,000. DMH must create an Advisory Council to support the Ombudsman Program's functions, but the Advisory Council members will be volunteers and the Council itself will operate at no additional cost. The Ombudsman Program will also begin in FY 2013.

Title V – Resource Guide for Families on Child Welfare and Juvenile Justice Systems

The bill details responsibilities for CFSA and DYRS. CFSA must develop a "comprehensive resource guide for families who come in contact with the child welfare or juvenile justice systems," an effort that CFSA anticipates will cost \$50,000. CFSA will incur no additional costs for meeting its other requirement of conducting behavioral health screenings of all children in its custody within thirty days of a placement disruption, as this requirement is commensurate with the Agency's current court order mandates. Similarly, DYRS anticipates no need for additional resources to prepare the behavioral health compliance report and complete the screenings required in the bill.

Estimated Fiscal Impact of B 19-211 South Capitol Street Memorial Amendment Act of 2012 – FY 2012-FY 2015						
Task	Agency¹	FY 2012	FY 2013	FY 2014	FY 2015	Total
Youth Behavioral Health Epidemiological Report	DMH, OSSE	\$125,000	\$0	\$0	\$0	\$125,000
Comprehensive Plan to expand early childhood and school-based behavioral health programs by 2016-17 school year ²	DMH	\$34,000	\$103,000	\$106,000	\$108,000	\$351,000
<i>Bring DCPS and Charter Schools into compliance with current School-based Student Support Team requirements³</i>	OSSE, DCPS, PCSB	\$0	\$6,065,000	\$6,325,000	\$6,615,000	\$20,005,000
Meeting the bill's truancy reporting requirements ⁴	OSSE, DCPS, PCSB	\$0	\$1,000,000	\$0	\$0	\$1,000,000
Youth Behavioral Health Program training ⁵	DMH	\$0	\$283,000	\$278,000	\$285,000	\$846,000
Behavioral Health Resource Guide	DMH	\$100,000	\$0	\$0	\$0	\$100,000
Behavioral Health Ombudsman Program, including report and creation of Advisory Council ⁶	DMH	\$0	\$429,000	\$440,000	\$452,000	\$1,321,000
Child Welfare and Juvenile Justice Resource Guide	CFSA	\$50,000	\$0	\$0	\$0	\$50,000
Total		\$309,000	\$7,880,000	\$7,149,000	\$7,460,000	\$22,798,000

Table Notes

¹ The agencies are those that the Office of Revenue Analysis has worked with to estimate the costs, and may be different from the agencies that implement the bill.

² The estimate reflects the salary and fringe benefits for 1 FTE.

³ The estimate is not a direct cost of the bill, but *reflects the resources DCPS and charters need to comply with current regulations*, which is necessary to implement the bill. The estimate is based on hiring 40 FTEs at DCPS and 53 FTEs at Public Charter Schools.

⁴ This is the estimated cost of a comprehensive reporting system that would allow DCPS to record efforts in each truancy case and to meet the reporting requirements of the bill.

⁵ The estimate reflects the cost of two new full-time mental health clinicians as trainers and one full-time administrative assistant.

⁶ The estimate is based on the D.C. Long Term Care Ombudsman's Office, which has a staff of 6.5 FTEs and an annual budget of approximately \$430,000 starting FY 2013.

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